

POMERANTZ LLP

Brian Calandra
Of Counsel

February 17, 2022

VIA ECF

Hon. Denise L. Cote
United States District Court
Southern District of New York
500 Pearl St.
New York, New York 10007

RE: *In re DouYu Int'l Holdings Ltd. Securities Litigation*, No. 1:20-cv-07234

Dear Judge Cote:

We represent Plaintiffs Li Yunyan and Heng Huang (“Plaintiffs”) in this action. On January 14, 2022, we advised the Court that Plaintiffs and the DouYu Defendants¹ had reached a settlement that would resolve all claims against all defendants in this action, subject to negotiation of definitive documentation. See ECF No. 162. The Court then ordered Plaintiffs to move for preliminary approval of the settlement by February 25, 2022. ECF No. 163. We respectfully write, with the DouYu Defendants’ consent, to request a stay of that deadline and this action, so that the parties can finish negotiating the settlement documentation and obtain settlement approval from the court in the parallel state court action, *In re DouYu Int'l Holdings Ltd. Sec. Litig.*, No. 651703/2020 (Sup. Ct. N.Y. Cty.) (“State Court Action”), without further burdening this Court.

Defendant DouYu is based in China, as are the multiple insurers that will be involved in the settlement. Coordinating settlement documentation among DouYu and the insurers has proven to be unusually complex, and that process was delayed by the Chinese New Year, which was a public holiday in China throughout early February. In short, the parties’ negotiation of definitive documentation is ongoing and Plaintiffs will not be in position to move for approval of the settlement by the Court’s deadline of February 25, 2022.

In addition, as the Court may recall, this action is proceeding concurrently with the State Court Action, which was brought by different plaintiffs against the same defendants in New York state court. Justice Andrew Borrok denied certain defendants’ motion to dismiss the State Court Action on March 16, 2021, three months before Plaintiffs filed the operative complaint in this action. *DouYu Intern. Holdings Ltd. Sec. Litig.*, 2021 WL 979297, at *2 (N.Y. Sup. Ct. Mar. 16,

¹ The “DouYu Defendants” are Defendants DouYu International Holdings Limited (“DouYu”), and Shaojie Chen, Wenming Zhang, Chao Cheng, Mingming Su, Hao Cao, Ting Yin, Haiyang Yu, Xi Cao, Xuehai Wang, Zhaoming Chen and Zhi Yan (collectively, “Director Defendants”).

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2021). In the eleven months since the State Court ruled, the State Court Action has proceeded well into discovery. Given Justice Borrok's familiarity with the facts underlying the actions against DouYu, and that the settlement will resolve all claims in this action and the State Court Action, the parties anticipate moving for approval of the settlement in the State Court Action and then once Justice Borrok grants final approval, voluntarily dismissing this action with prejudice.

We are available at the Court's convenience to discuss this request.

Respectfully submitted,

POMERANTZ LLP

By: Brian Calandra

Brian Calandra
600 Third Avenue, 20th Floor
New York, New York 10016
Telephone: (212) 661-1100
Facsimile: (212) 661-8665
E-mail: bcalandra@pomlaw.com

*Counsel for Lead Plaintiff Li Yunyan and
Named Plaintiff Heng Huang*

cc: All counsel of record (via ECF)

This action may not be stayed indefinitely, nor
may it be stayed pending resolution of
related litigation. The plaintiff shall
advise the Court by 2/25/22 whether
he seeks to voluntarily dismiss this
action. If he wishes to move for
approval of a settlement, that motion
is due 3/4/22.

Denise Cote
2/17/22